

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF JACKSON PURCHASE)
ELECTRIC COOPERATIVE CORPPORATION)
FOR AN ORDER AUTHORIZING THE)
CORPORATION TO BORROW AN AMOUNT NOT)
TO EXCEED \$1,364,000 FROM THE) CASE NO. 9091
NATIONAL RURAL UTILITIES COOPERATIVE)
FINANCE CORPORATION ("CFC") FOR THE)
PURPOSE OF FINANCING IMPROVEMENTS)
AND CONSTRUCTION OF ADDITIONAL)
FACILITIES)

O R D E R

Jackson Purchase Electric Cooperative Corporation ("Jackson Purchase") filed its application on June 27, 1984, for authorization to borrow funds and filed an amendment on July 12, 1984, requesting a certificate of convenience and necessity to construct certain improvements and additions to its existing plant. These improvements and additions, as more specifically described in the application and record, are estimated to cost \$4,901,600 and will be financed by a loan of \$3,184,000 from the Rural Electrification Administration ("REA"), a loan of \$1,364,000 from the National Rural Utilities Cooperative Finance Corporation ("CFC") and \$353,600 from internal funds. The Commission requested additional information from Jackson Purchase on July 18, 1984, and this was received on July 30, 1984.

The Commission, after consideration of the application and all evidence of record and being advised, is of the opinion and finds that:

1. Public convenience and necessity require the construction by Jackson Purchase of the improvements and additions to its existing plant as described in the application and record, and that a certificate be granted.

2. The proposed borrowing from CFC is for lawful objects within the corporate purposes of Jackson Purchase, is necessary and appropriate for and consistent with the proper performance by Jackson Purchase of its service to the public, and will not impair its ability to perform that service.

IT IS THEREFORE ORDERED that Jackson Purchase be and it hereby is granted a certificate of convenience and necessity to proceed with the construction as set forth in the application and record.

IT IS FURTHER ORDERED that Jackson Purchase be and it hereby is authorized to borrow \$1,364,000 from CFC for a 35-year period at an initial interest rate of 11 1/2 percent per annum until 1991 and then be subject to change thereafter.


IT IS FURTHER ORDERED that Jackson Purchase be and it hereby is authorized to execute its notes as security for the loan herein authorized.

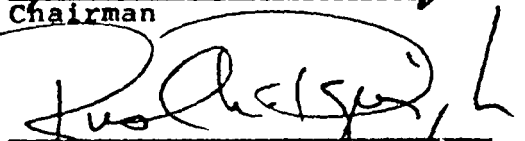
IT IS FURTHER ORDERED that the proceeds from the proposed borrowing shall be used only for the lawful purposes set out in the application and record.

Nothing herein contained shall be deemed a warranty or finding of value of securities or financing authorized herein on the part of the Commonwealth of Kentucky or any agency thereof.

Done at Frankfort, Kentucky, this 5th day of September, 1984.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Acting Secretary